ALL PRIMARY GOVERNMENT GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS

CITY OF MINNEAPOLIS, MINNESOTA Exhibit 2

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY

Taxes

For the fiscal year ended December 31, 1998 (In Thousands) Totals Totals **Governmental Fund Types** (Memorandum Component Units (Memorandum Only) Only) Park and Reporting Special Debt Capital Primary Library Recreation General Revenue Service **Projects** Government Board Board Entity **REVENUES:** \$ 71,351 54,150 14.592 60,973 201.066 8,752 24,786 234,604 Licenses and permits 15,522 97 71 15,690 15,690 Intergovernmental revenues 80,528 54,716 3,754 8,489 147,487 8,440 20,389 176,316 Charges for services and sales 13.190 15,226 7,724 36,140 259 1.549 37,948 Fines and forfeits 6,321 597 6,918 276 249 7,443 448 Special assessments 2,324 5,670 8,442 111 8,553 Interest 2,766 4,974 5,689 9,231 22,660 852 28 23,540 Miscellaneous revenues 811 15,362 1.157 12.350 29,680 251 1,215 31,146 192,813 145,122 30,862 99,286 468,083 18,830 48,327 535,240 Total revenues **EXPENDITURES:** Current: 35,179 11,027 46,206 46,206 General government Public safety 138,290 5,505 143,795 143,795 Highways and streets 36,468 36,468 989 37,457 Culture and recreation 18,301 44,435 62,736 Health and welfare 3,669 14,400 18,069 18,069 17,821 Economic development 17,821 17,821 Urban redevelopment and housing 42,220 42,220 42,220 Capital outlay 103.865 103,865 1,119 10,883 115,867 Debt service: Principal retirement 73,060 73,060 73,060 Interest and fiscal charges 33.817 33.817 33.817 106,877 213,606 90,973 103.865 515,321 19,420 56,307 Total expenditures 591,048 Excess (deficiency) of revenues over (under) expenditures (20,793)54,149 (76,015)(4,579)(47,238)(590)(7,980)(55,808)OTHER FINANCING SOURCES (USES): Operating transfers in 30,011 1,592 47,121 17,144 95,868 95,868 Operating transfers from primary government 1,353 7,688 9,041 Operating transfers from component units 218 218 218 (56,089)Operating transfers out (8,249)(12,263)(26,493)(103,094)(103,094)Operating transfers to primary government (19) (251)(270)Operating transfers to component units (312)(3,954)(4,775)(9,041)(9,041)Proceeds from bonds 24,456 35,505 59,961 59,961 4,095 4,095 Proceeds from notes 4,095 Payment to refunded bond escrow agent (5,786)(5,786)(5,786)Total other financing sources (uses) 21,450 (58,451)53,746 25,476 42,221 1,334 7,437 50,992 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses 657 (4,302)(22,269)20,897 (5,017)744 (543)(4.816)Increase (decrease) in proprietary operations 2,312 2.312 Fund equity - January 1 - As previously reported 20,940 59,737 79,687 141,025 301,389 6,733 15,213 323,335 Restatement 145 100 245 1,004 1,249 Fund equity - January 1 - Restated 21.085 59,837 79,687 141.025 301,634 7,737 15,213 324,584

23

8,481

16,982

296,640

23

322,103

The notes to the financial statements are an integral part of this statement.

23

55.535

57,418

161,922

21,765

Increase (decrease) in reserve for inventories

Fund equity - December 31